

[REDACTED]

CERTIFIED MAIL

[REDACTED]

OCT 29 1984

Dear Sir or Madam:

We have considered your application for exemption from Federal income tax as an organization described in Section 501(c)(6) of the Internal Revenue Code, and the information submitted in support thereof.

The data submitted discloses you were incorporated on [REDACTED] under the laws of [REDACTED]. Your stated purpose is to represent the tenants and/or lessors of the area known as [REDACTED] and its adjoining commercial stores. You intend to provide your members with an Association for the purpose of promoting and advancing their interests before governmental and/or private organizations or entities and in general to protect and promote the interests, welfare and well being of your members.

Your income is derived from member dues and assessments. Your activities include advertising and promoting [REDACTED] and representing your membership on grievances with one lessor.

Section 1.501(c)(6)-1 of the Income Tax Regulation defines a business league as an association of persons having some common business interest the purpose of which is to promote such common interest and not to engage in a regular business of a kind ordinarily carried on for profit. Its activities should be directed to the improvement of business conditions of one or more lines of business as distinguished from the performances of particular services for individual persons.

In Revenue Ruling 64-315, 1964-2 CB., 147, an association of merchants whose businesses constituted a shopping center expended its funds and engaged exclusively in advertising in various newspapers and in television and radio in order to attract customers to its shopping center. The organization was held not to be exempt from Federal income taxes under Section 501(c)(6) because such advertising activity constituted the performance of particular services for members rather than an activity directed towards the improvement of business conditions as required by the applicable regulations.

	Initiator	Reviewer	Reviewer	Reviewer	Reviewer	Reviewer
Code						
Signature						

Since your organization is rendering particular services for your members and thereby operating for their benefit and not for the improvement of business conditions we have concluded that you are not an organization which is described in Section 501(c)(6) of the Internal Revenue Code. You do not qualify for exemption under any related paragraph of Section 501(c).

You are therefore required to file Federal income tax returns on Form 1120.

If you do not accept our findings, we recommend that you request a conference with a member of our Regional Office of Appeals. Your request for a conference should include a written appeal giving the facts, law, and any other information to support your position as explained in the enclosed Publication 892. You will then be contacted to arrange a date for a conference. The conference may be held at the Regional Office or, if you request, at any mutually convenient District office. If we do not hear from you within 30 days of the date of this letter, this determination will become final.

Sincerely yours,


District Director

Enclosure: Publication 8